List of Claims:

Claim 1 (Currently Amended): A communication method for use between a local modem and a host while said local modem is in communication with a remote modem through a central office, said method comprising the steps of:

receiving an alert signal from said central office indicating an incoming call;

acknowledging said alter signal;

notifying said remote modem of a modem-on-hold state;

collecting caller identification received from said central office;

informing said host of said alert signal;

receiving an in-band caller identification request from said host for said caller identification;

transmitting said caller identification to said host using an in-band caller identification message; and

receiving an in-band answer request from said host to answer said incoming call;

wherein said in-band caller identification request, said in-band caller identification message and said in-band answer request are embedded in a data stream being communicated between said local modem and said host.

Claim 2 (Original): The method of claim 1 further comprising the step of receiving a hold acknowledgement from said remote modem in response to said notifying step.

Claim 3 (Currently Amended): The method of claim 2, wherein said hold acknowledgment includes a hold time, and wherein said method further comprising the steps:

receiving an in-band hold time request from said host; and

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transmitting said hold time to said host using an in-band hold time message;

wherein said in-band hold time request and said in-band hold time message are embedded in said data stream being communicated between said local modem and said host.

Claim 4 (Original): The method of claim 1 further comprising the step of requesting said remote modem to enter said modem-on-hold state.

Claim 5 (Currently Amended): The method of claim 1, wherein said step of informing uses an RS232 ring signal or a 16550 ring signal to inform said host of said alert signal.

Claim 6 (Currently Amended): The method of claim 1, wherein said step of informing uses an in-band ring message to inform said host of said alert signal, wherein said in-band ring message is embedded in said data stream being communicated between said local modem and said host.

Claim 7 (Original): The method of claim 1 further comprising the steps of:

receiving a disconnect reply from said remote modem in response to said notifying step; and

transmitting a disconnect request to said remote modem after said host informs said local modem of its desire to answer said incoming call.

Claim 8 (Currently Amended): A local modem in communication with a host, said local modem further in communication with a remote modem through a central office, said local modem comprising:

an alert signal detector capable of detecting an alter signal from said central office indicating an incoming call;

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a processor controlling a host receiver, a host transmitter, a modem receiver and a modem transmitter, said processor having an in-band controller;

wherein said processor acknowledges said alter signal, said modem transmitter notifies said remote modem of a modem-on-hold state, said processor collects caller identification received by said modem receiver from said central office, said processor informs said host of said alert signal, said in-band controller receives an in-band caller identification request via said host receiver from said host, said in-band controller transmits said caller identification to said host using an in-band caller identification message via said host transmitter, and said in-band controller receives an in-band answer request via said host receiver from said host to answer said incoming call;

wherein said in-band caller identification request, said in-band caller identification message and said in-band answer request are embedded in a data stream being communicated between said local modem and said host.

Claim 9 (Original): The local modem of claim 8, wherein said processor receives a hold acknowledgement via said modem receiver from said remote modem in response to said modem-on-hold state notification.

Claim 10 (Currently Amended): The local modem of claim 9, wherein said hold acknowledgment includes a hold time, and wherein said in-band controller receives an in-band hold time request via said host receiver from said host, and said in-band controller transmits said hold time to said host using an in-band hold time message via said host transmitter, wherein said in-band hold time request and said in-band hold time message are embedded in said data stream being communicated between said local modem and said host.

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Claim 11 (Original): The local modem of claim 8, wherein said processor requests said remote modem to enter said modem-on-hold state.

Claim 12 (Currently Amended): The local modem of claim 8, wherein said processor uses a<u>n RS232</u> ring signal <u>or a 16550 ring signal</u> to inform said host of said alert signal.

Claim 13 (Currently Amended): The local modem of claim ~~7~~ <u>8</u>, wherein said processor uses an in-band ring message to inform said host of said alert signal<u>, wherein said in-band ring message is embedded in said data stream being communicated between said local modem and said host</u>.

Claim 14 (Currently Amended): A <u>computer readable medium including a</u> computer program product <u>executable by a processor</u> ~~for providing communication between~~ <u>in</u> a local modem<u>, said local modem being</u> ~~and~~ <u>in communication with</u> a host <u>and</u> ~~while said local modem~~ ~~is~~ in communication with a remote modem through a central office, said computer program product comprising:

code for receiving an alert signal from said central office indicating an incoming call;

code for acknowledging said alter signal;

code for notifying said remote modem of a modem-on-hold state;

code for collecting caller identification received from said central office;

code for informing said host of said alert signal;

code for receiving an in-band caller identification request from said host for said caller identification;

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code for transmitting said caller identification to said host using an in-band caller identification message; and

code for receiving an in-band answer request from said host to answer said incoming call;

wherein said in-band caller identification request, said in-band caller identification message and said in-band answer request are embedded in a data stream being communicated between said local modem and said host.

Claim 15 (Original): The computer program product of claim 14 further comprising code for receiving a hold acknowledgement from said remote modem in response to said notifying said remote modem.

Claim 16 (Currently Amended): The computer program product of claim 15, wherein said hold acknowledgment includes a hold time, and wherein said computer program product further comprising:

code for receiving an in-band hold time request from said host; and

code for transmitting said hold time to said host using an in-band hold time message;

wherein said in-band hold time request and said in-band hold time message are embedded in said data stream being communicated between said local modem and said host.

Claim 17 (Original): The computer program product of claim 14 further comprising code for requesting said remote modem to enter said modem-on-hold state.

Claim 18 (Currently Amended): The computer program product of claim 14, wherein said code for informing uses an RS232 ring signal or a 16550 ring signal to inform said host of said alert signal.

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Claim 19 (Currently Amended): The computer program product of claim 14, wherein said code for informing uses an in-band ring message to inform said host of said alert signal, wherein said in-band ring message is embedded in said data stream being communicated between said local modem and said host.

Claim 20 (Original): The computer program product of claim 14 further comprising:

code for receiving a disconnect reply from said remote modem in response to said notifying said remote modem; and

code for transmitting a disconnect request to said remote modem after said host informs said local modem of its desire to answer said incoming call.

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